

or

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

JUDGE COLEMAN

MAGISTRATE JUDGE ROWLAND

UNITED STATES OF AMERICA

v.

TIMOTHY K. LIOU

17CR 227

)  
)  
)  
) Violations: Title 26, United States Code,  
) Section 7206(1)  
)

FILED

APR 06 2017

THOMAS G. BRUTON  
CLERK, U.S. DISTRICT COURT

COUNT ONE

The SPECIAL JULY 2016 GRAND JURY charges:

1. At times material to this information:

a. Defendant TIMOTHY K. LIOU resided in Wheaton, Illinois, and was an attorney licensed in the State of Illinois practicing law as The Liou Law Firm, a sole proprietorship in Chicago, Illinois;

b. Defendant TIMOTHY K. LIOU represented individual debtors in bankruptcy cases filed in the United States Bankruptcy Court for the Northern District of Illinois;

c. Defendant TIMOTHY K. LIOU received attorney's fees from his bankruptcy clients primarily in cash, money orders and cashier's checks;

d. Defendant TIMOTHY K. LIOU deposited only a portion of the attorney's fees he received into the Liou Law Firm bank accounts, while negotiating the majority of the money orders and cashier's checks received from clients and then using the

proceeds, along with cash received from clients, to purchase cashier's checks made payable for the benefit of defendant LIOU and the Liou Law Firm; and

e. The gross receipts of The Liou Law Firm were required to be reported on the United States Individual Income Tax Returns (Form 1040 with schedules and attachments) of defendant TIMOTHY K. LIOU.

2. On or about April 18, 2011, in the Northern District of Illinois, Eastern Division, and elsewhere,

TIMOTHY K. LIOU,

defendant herein, who during the calendar year 2010 was a resident of Wheaton, Illinois, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040 with schedules and attachments) for the calendar year 2010, on behalf of himself and his spouse, which return was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which return the defendant did not believe to be true and correct as to every material matter, in that the return stated that the total income (line 22) of defendant LIOU and his spouse was \$110,134, whereas, as the defendant then and there well knew and believed, the total income of defendant and his spouse during 2010 was an amount substantially in excess of \$110,134, defendant having willfully omitted from his total income approximately \$488,042 in gross income defendant had and received from The Liou Law Firm;

In violation of Title 26, United States Code, Section 7206(1).

COUNT TWO

The SPECIAL JULY 2016 GRAND JURY further charges:

1. The allegations of paragraph one of Count One are realleged as if fully set forth herein.

2. On or about October 15, 2012, in the Northern District of Illinois, Eastern Division, and elsewhere,

TIMOTHY K. LIOU,

defendant herein, who during the calendar year 2011 was a resident of Wheaton, Illinois, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040 with schedules and attachments) for the calendar year 2011, on behalf of himself, which return was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which return the defendant did not believe to be true and correct as to every material matter, in that the return stated that the total income (line 22) of defendant LIOU was - \$831, whereas, as the defendant then and there well knew and believed, the total income of defendant during 2011 was an amount substantially in excess of - \$831, defendant having willfully omitted from his total income approximately \$94,555 in gross income defendant had and received from The Liou Law Firm;

In violation of Title 26, United States Code, Section 7206(1).

COUNT THREE

The SPECIAL JULY 2016 GRAND JURY further charges:

1. The allegations of paragraph one of Count One are realleged as if fully set forth herein.

2. On or about May 11, 2013, in the Northern District of Illinois, Eastern Division, and elsewhere,

TIMOTHY K. LIOU,

defendant herein, who during the calendar year 2012 was a resident of Wheaton, Illinois, did willfully make and subscribe a United States Individual Income Tax Return (Form 1040 with schedules and attachments) for the calendar year 2012, on behalf of himself, which return was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, which return the defendant did not believe to be true and correct as to every material matter, in that the return stated that the total income (line 22) of defendant LIOU was \$0, whereas, as the defendant then and there well knew and believed, the total income of defendant during 2012 was an amount substantially in excess of \$0, defendant having willfully omitted from his total income

approximately \$54,783 in gross income defendant had and received from The Liou Law Firm;

In violation of Title 26, United States Code, Section 7206(1).

A TRUE BILL:

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FOREPERSON

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ACTING UNITED STATES ATTORNEY